

HEALTH CARE SUMMARY

	Page #	Appropriation	Departmental Revenue	Local Cost
GENERAL FUND				
HEALTH CARE ADMINISTRATION SUMMARY	228			
HEALTH CARE ADMINISTRATION	299	64,703,404	49,703,404	15,000,000
BEHAVIORAL HEALTH SUMMARY	253			
BEHAVIORAL HEALTH	254	197,547,716	195,704,963	1,842,753
ALCOHOL AND DRUG SERVICES	258	23,105,034	22,955,576	149,458
PUBLIC HEALTH SUMMARY	271			
PUBLIC HEALTH	272	81,595,216	78,022,947	3,572,269
CALIFORNIA CHILDREN'S SERVICES	277	19,960,669	15,600,936	4,359,733
INDIGENT AMBULANCE	281	472,501	-	472,501
TOTAL GENERAL FUND		387,384,540	361,987,826	25,396,714

	Page #	Appropriation	Departmental Revenue	Fund Balance
SPECIAL REVENUE FUNDS				
HEALTH CARE:				
AMBULANCE PERFORMANCE BASED FINES	233	557,972	203,000	354,972
PEDIATRIC TRAUMA	235	328,024	104,000	224,024
HOSPITAL PREPAREDNESS	237	751,018	570,089	180,929
MASTER SETTLEMENT AGREEMENT	241	32,084,079	18,600,000	13,484,079
ARROWHEAD REGIONAL MEDICAL CENTER:				
TOBACCO TAX FUNDS	249	2,507,991	2,202,553	305,438
ARCHSTONE FOUNDATION GRANT	251	5,534	1,000	4,534
BEHAVIORAL HEALTH:				
MENTAL HEALTH SERVICES ACT	261	83,879,310	48,109,482	35,769,828
DRIVING UNDER THE INFLUENCE PROGRAMS	263	305,489	139,554	165,935
BLOCK GRANT CARRYOVER PROGRAM	265	4,310,198	406,995	3,903,203
COURT ALCOHOL AND DRUG PROGRAM	267	1,155,720	401,861	753,859
PROPOSITION 36	269	5,025,776	4,994,336	31,440
PUBLIC HEALTH:				
BIO-TERRORISM PREPAREDNESS	283	3,263,581	2,781,164	482,417
TOBACCO USE REDUCTION NOW	285	453,996	392,696	61,300
VITAL STATISTICS STATE FEES	287	670,078	159,820	510,258
VECTOR CONTROL ASSESSMENTS	289	3,675,901	1,601,666	2,074,235
TOTAL SPECIAL REVENUE FUNDS		138,974,667	80,668,216	58,306,451

	Page #	Appropriation	Departmental Revenue	Revenue Over (Under) Exp
ENTERPRISE FUNDS				
ARROWHEAD REGIONAL MEDICAL CENTER SUMMARY	243			
ARROWHEAD REGIONAL MEDICAL CENTER	244	371,327,218	368,673,065	(2,654,153)
MEDICAL CENTER LEASE PAYMENTS	239	57,492,452	56,690,631	(801,821)
TOTAL ENTERPRISE FUNDS		428,819,670	425,363,696	(3,455,974)

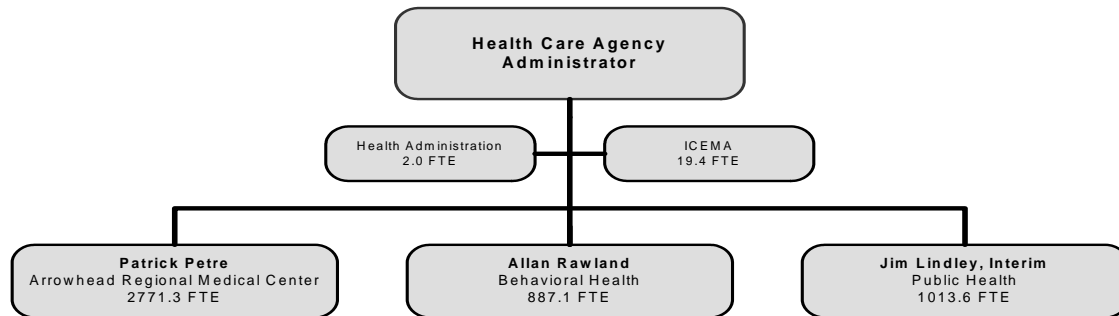


HEALTH CARE ADMINISTRATION

MISSION STATEMENT

To develop and coordinate budgets, policies, and procedures for the county's health care departments in accordance with the strategic goals adopted by the Board of Supervisors, the County Charter, and general laws.

ORGANIZATIONAL CHART



SUMMARY OF BUDGET UNITS

	2008-09					
	Appropriation	Revenue	Local Cost	Fund Balance	Revenue Over/ (Under) Exp	Staffing
General Fund						
Health Care Administration	64,703,404	49,703,404	15,000,000			21.4
Behavioral Health (BH)	197,547,716	195,704,963	1,842,753			799.6
BH - Alcohol and Drug Services	23,105,034	22,955,576	149,458			87.5
Public Health (PH)	81,595,216	78,022,947	3,572,269			832.7
PH - California Children's Services	19,960,669	15,600,936	4,359,733			180.9
PH - Indigent Ambulance	472,501	-	472,501			-
Total General Fund	387,384,540	361,987,826	25,396,714			1,922.1
Special Revenue Funds						
Ambulance Performance Based Fines	557,972	203,000		354,972		-
Pediatric Trauma	328,024	104,000		224,024		-
Hospital Preparedness	751,018	570,089		180,929		-
Master Settlement Agreement	32,084,079	18,600,000		13,484,079		-
ARMC - Tobacco Tax	2,507,991	2,202,553		305,438		-
ARMC - Archstone Foundation Grant	5,534	1,000		4,534		-
BH - Mental Health Services Act	83,879,310	48,109,482		35,769,828		-
BH - Driving Under the Influence Programs	305,489	139,554		165,935		-
BH - Block Grant Carryover Program	4,310,198	406,995		3,903,203		-
BH - Court Alcohol and Drug Program	1,155,720	401,861		753,859		-
BH - Proposition 36	5,025,776	4,994,336		31,440		-
PH - Bio-Terrorism Preparedness	3,263,581	2,781,164		482,417		-
PH - Tobacco Use Reduction Now	453,996	392,696		61,300		-
PH - Vital Statistics State Fees	670,078	159,820		510,258		-
PH - Vector Control Assessments	3,675,901	1,601,666		2,074,235		-
Total Special Revenue Funds	138,974,667	80,668,216		58,306,451		-
Enterprise Fund						
Arrowhead Regional Medical Center (ARMC)	371,327,218	368,673,065			(2,654,153)	2,771.3
Medical Center Lease Payments	57,492,452	56,690,631			(801,821)	-
Total Enterprise Fund	428,819,670	425,363,696			(3,455,974)	2,771.3
Total - All Funds	955,178,877	868,019,738	25,396,714	58,306,451	(3,455,974)	4,693.4

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.



DESCRIPTION OF MAJOR SERVICES

The role of the Health Care Administration budget unit is to seek and support opportunities to foster collaboration among the Department of Public Health (DPH), Department of Behavioral Health (DBH), and the Arrowhead Regional Medical Center (ARMC). This administration provides regular fiscal and policy analysis relating to the operations of these departments. Additionally, this administration manages the \$64.7 million Health Care Administration budget unit, which includes funding for ARMC debt service, health related maintenance of effort costs, transfers required to obtain federal health care funding, and the Inland Counties Emergency Medical Agency.

Health care related transactions represented by this budget unit include the Disproportionate Share Hospital (DSH) Supplemental Payments, Realignment AB 8 match, and the county's contribution for ARMC debt service payments.

California Medi-Cal Hospital/Uninsured Care Demonstration Project (SB 1100)

Effective July 1, 2005, funding from SB 855 and SB 1255 for the Disproportionate Share Hospital Programs was replaced by SB 1100, California's Medi-Cal Hospital/Uninsured Care Demonstration Project. The prior SB 855 and SB 1255 programs provided supplemental payments to hospitals serving a disproportionate number of low-income individuals, as well as those licensed to provide emergency medical services and contract with the California Medical Assistance Commission (CMAC) to serve Medi-Cal patients under the Selective Provider Contracting Program.

The new funding system, SB 1100, was designed under a Medicaid (Medi-Cal in California) waiver to fund public and private safety-net hospitals providing care to Medi-Cal and uninsured patients. The hospital financing waiver under SB 1100 is comprised of three elements:

- Medi-Cal Fee for Service, which represents federal funds accounted for directly in the ARMC budget unit, for services provided to Medi-Cal patients;
- Safety Net Care Pool Funds, which provide a fixed amount of federal dollars, also accounted for directly in the ARMC budget unit, to cover uncompensated health care costs, and
- Disproportionate Share Hospital Funds, which continue to be reflected as a matching contribution to the state, and a return of that initial investment, within this budget unit.

Realignment and General Fund Support

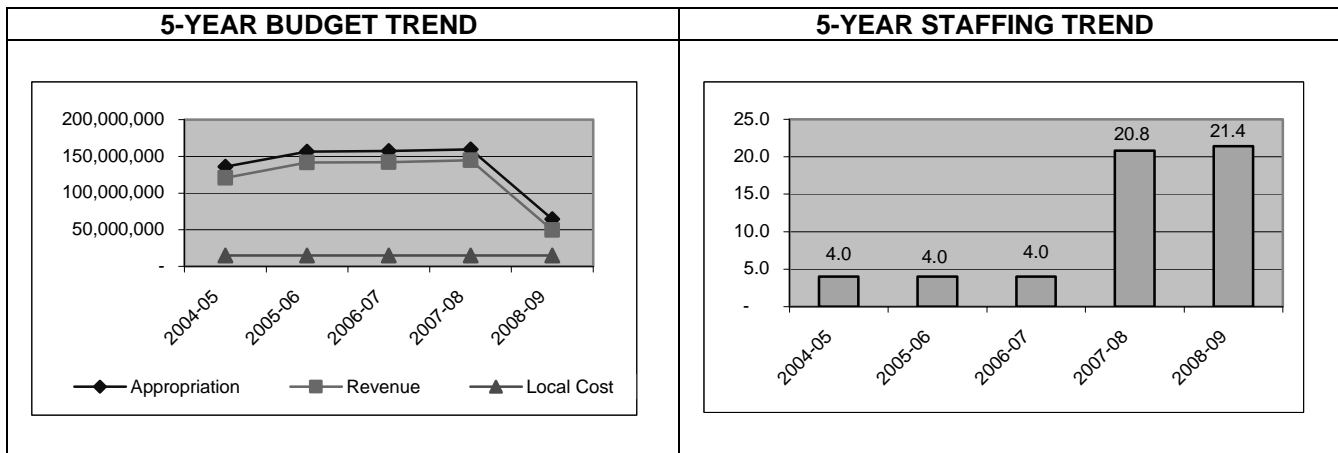
General fund support and realignment funds are used to pay for the ARMC debt service lease payments, Realignment AB 8 match and administrative costs related to this budget unit. To qualify for receipt of Health Realignment funding from the state, the county must contribute a "match" of local funds. The county's match for 2008-09 is \$4.3 million, which is based on a formula established through AB 8 in 1979. This amount has remained constant throughout the years.

Realignment funds support this budget as follows:

- Mental Health at 3.5% (which covers half of administrative costs).
- Health at 96.5% (which covers half of administrative costs plus debt service payments).

Inland Counties Emergency Medical Agency

Inland Counties Emergency Medical Agency (ICEMA) is responsible for ensuring effective emergency medical services for San Bernardino, Inyo and Mono Counties. Specifically, they are charged with the coordination, evaluation and monitoring of emergency medical services within public and private pre-hospital providers, specialty hospitals, paramedic base hospitals, as well as the effectiveness of Emergency Medical Services (EMS) educational programs and medical disaster preparedness.

BUDGET HISTORY

In 2007-08, administration of the Inland Counties Emergency Medical Agency was separated from the Public Health budget unit and included as a separate organization within the Health Care Administration budget unit. This resulted in the slight increase in appropriation and the addition of 18.8 budgeted FTE. These additions were offset by the transfer of 2.0 Health Care administration staff to the County Administrative Office budget unit.

For 2008-09, appropriation and revenue are significantly less than that previously budgeted as the actual matching transfers and corresponding receipts as required with SB 1100 are significantly lower than those previously required with SB 855 and SB 1255.

PERFORMANCE HISTORY

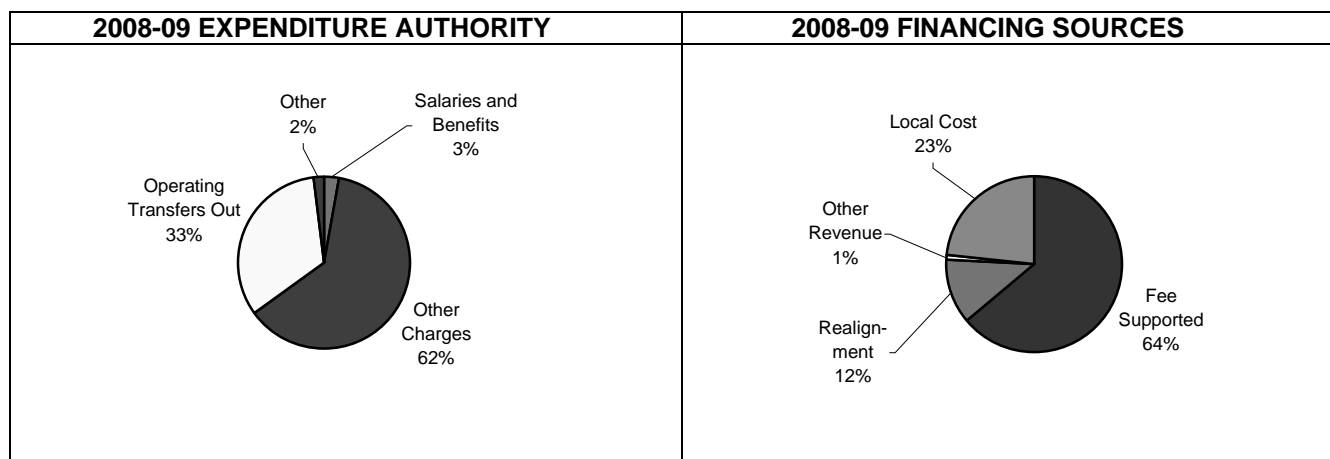
	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Modified Budget	2007-08 Actual
Appropriation	150,200,966	53,624,875	61,720,187	159,507,612	54,582,493
Departmental Revenue	135,200,966	38,732,875	46,720,187	144,507,612	39,582,493
Local Cost	15,000,000	14,892,000	15,000,000	15,000,000	15,000,000
Budgeted Staffing				20.8	

In 2004-05, total appropriation and departmental revenue was greater than the most current two years of actual performance as a result of SB 855 and SB 1255. These are two programs that were established to provide supplemental Medi-Cal payments to hospitals that provide services to disproportionate numbers of Medi-Cal and other low-income patients. Through these programs, the county transferred a set match amount to the state, and in turn, received back this initial contribution, plus additional federal health dollars that were recorded in the Arrowhead Regional Medical Center budget unit. Effective July 1, 2005, SB 855 and SB 1255 was replaced by SB 1100, which fundamentally altered the way it paid hospitals for treating Medi-Cal patients. This system revised financing for Medicaid hospitals, limited the use of county general fund matching transfers to the state, and provided a fixed amount of federal dollars to cover uncompensated health care costs.

As a result of these changes, both the actual appropriation and departmental revenue, which in prior years had been recorded to document the matching transfers and corresponding receipts, decreased dramatically. It should be noted, however, that the county budgeted additional appropriation and revenue in 2007-08 as the total affect of these changes had not been determined, transfers to the state may still change, and the increased appropriation would be necessary to make any additional required payments to the State in a timely manner.



ANALYSIS OF FINAL BUDGET



GROUP: Health Care
DEPARTMENT: Health Care Administration
FUND: General

BUDGET UNIT: AAA HCC
FUNCTION: Health and Sanitation
ACTIVITY: Hospital Care

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2007-08 Final Budget	2008-09 Final Budget	Change From 2007-08 Final Budget
Appropriation							
Salaries and Benefits	121,092	489,206	550,109	1,691,080	1,813,683	1,882,208	68,525
Services and Supplies	30,265	92,390	133,826	624,706	718,293	380,283	(338,010)
Central Computer	710	2,673	4,604	16,222	23,071	18,970	(4,101)
Travel	-	-	-	-	-	58,820	58,820
Other Charges	124,642,905	24,759,402	31,577,091	26,359,118	130,753,730	40,250,000	(90,503,730)
Equipment	-	-	-	-	74,000	-	(74,000)
Transfers	81,104	807	170,650	757,462	811,898	737,349	(74,549)
Total Exp Authority	124,876,076	25,344,478	32,436,280	29,448,588	134,194,675	43,327,630	(90,867,045)
Reimbursements	-	-	-	(20,660)	(11,480)	-	11,480
Total Appropriation	124,876,076	25,344,478	32,436,280	29,427,928	134,183,195	43,327,630	(90,855,565)
Operating Transfers Out	25,324,890	28,280,397	29,283,907	25,154,565	25,324,417	21,375,774	(3,948,643)
Total Requirements	150,200,966	53,624,875	61,720,187	54,582,493	159,507,612	64,703,404	(94,804,208)
Departmental Revenue							
Licenses & Permits	-	-	-	173,611	138,955	171,808	32,853
Fines and Forfeitures	-	-	-	783,197	789,878	470,093	(319,785)
Realignement	10,558,061	14,223,473	6,913,310	11,357,710	11,887,441	7,667,942	(4,219,499)
State, Fed or Gov't Aid	-	-	-	319,295	400,500	254,125	(146,375)
Current Services	124,642,905	24,509,402	31,327,091	26,520,777	130,347,236	40,498,000	(89,849,236)
Other Revenue	-	-	-	12,620	5,000	9,280	4,280
Total Revenue	135,200,966	38,732,875	38,240,401	39,167,210	143,569,010	49,071,248	(94,497,762)
Operating Transfers In	-	-	8,479,786	415,283	938,602	632,156	(306,446)
Total Financing Sources	135,200,966	38,732,875	46,720,187	39,582,493	144,507,612	49,703,404	(94,804,208)
Local Cost	15,000,000	14,892,000	15,000,000	15,000,000	15,000,000	15,000,000	-
Budgeted Staffing					20.8	21.4	0.6

Salaries and benefits of \$1,882,208 fund 21.4 budgeted positions, and are increasing by \$68,525. The department originally budgeted the addition of 2.0 budgeted positions for ICEMA as well as the budgeting of current staff at full FTE's.

However, at the 2008-09 Budget Hearing, the Board of Supervisors directed the removal of new positions and reclassifications included in the departmental budgets receiving general fund financing for 2008-09. Based on this action, the final budget reflects the reduction of \$135,983 in appropriation and 2.0 in budgeted staffing. Associated revenue was also decreased by \$135,983.

Services and supplies of \$380,283 are decreasing by \$338,010. This decrease is primarily the result of one-time purchases of small equipment and procurement of training needs for ICEMA that occurred in 2007-08.



Travel is a new appropriation unit for 2008-09. The amount budgeted of \$58,820 reflects anticipated travel costs in the areas of private mileage, air travel, hotel, car rental and conference fees for this budget unit. These costs were based on departmental analysis of past travel related expenses previously budgeted in the services and supplies appropriation unit.

Other charges of \$40,250,000 are decreasing by \$90,503,730 primarily as a result of lower anticipated payments made to the state under SB1100.

Transfers of \$737,349 represent payments to other departments for employee relations, the Employee Health and Productivity program, and lease costs. The \$74,549 decrease results primarily from decreased payment for administrative and program support from the County Administrative Office, offset by a slight increase in lease costs.

Operating transfers out of \$21,375,774 fund \$4.3 million of realignment local match, which must be transferred into trust, before Health Realignment monies can be directed toward the Public Health and Arrowhead Regional Medical Center budget units to fund health programs, and \$17.1 million of net debt service lease payment for Arrowhead Regional Medical Center. These transfers are funded by \$15.0 million of Tobacco Master Settlement Agreement monies and an additional \$2.1 million of realignment.

Licenses and permits of \$171,808 include revenue from ambulance licensure and Emergency Medical Technician certification.

Fines and forfeitures revenue of \$470,093 include fines collected by the Superior Court for criminal offenses, and are decreasing by \$319,785 primarily as a result of the decrease in revenues associated with the reduction in staffing resulting from the Board's direction at the 2008-09 Budget Hearing.

Realignment revenue of \$7,667,942 is decreasing by \$4,219,499 primarily as a result of decreases in net debt service lease payment for Arrowhead Regional Medical Center.

State aid revenue of \$254,125 represents funding from the Emergency Medical Services Authority (EMSA) to support maintenance of the three-county Joint Powers Agreement. The decrease of \$146,375 reflects transition of grant funding for the Regional Disaster Medical Health Specialist's Area VI to Riverside County for 2008-09, and discontinuance of state funding for the Disaster Medical Assistance Team.

Current services revenue of \$40,498,000 are decreasing by \$89,849,236 to reflect anticipated lower revenues associated with SB1100.

Operating transfers in of \$632,156 reflect transfers from the Hospital Preparedness and Performance Based Fines special revenue funds for expenditures related to ICEMA.

PERFORMANCE MEASURES				
Description of Performance Measure	2006-07 Actual	2007-08 Projected	2007-08 Actual	2008-09 Projected
Number of Cardiac Care Hospitals in the Inland Counties Emergency Medical Agency jurisdiction.	N/A	N/A	N/A	4
Percentage of 911 transports reviewed to ensure that patients are being transported to designated CCH's in a timely manner.	N/A	N/A	N/A	40%